

# United States Senate

WASHINGTON, DC 20510-1007

June 22, 2010

COMMITTEES:  
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The Honorable Julius Genachowski  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

WCB  
NBP PV  
JG  
1/27

Dear Chairman Genachowski:

I write to share my thoughts on the National Broadband Plan (NBP). I applaud the goal that you have set for the FCC to ensure that every American has affordable access to robust broadband service. I appreciate your focus on reform of the universal service fund and the need to explicitly support broadband as an important step in this process. As you craft the policies that will achieve these goals, you must consider the impact of your proposals on rural America.

In the Recovery Act, Congress directed the FCC to conduct "an analysis of the most effective and efficient mechanisms for ensuring broadband access by *all people* of the United States." Consistent with the purposes laid out by Congress, the NBP contemplates the great social and economic benefits that broadband access brings – including increased educational and employment opportunity, improved health care, and greater energy efficiency. I know our shared goal is to ensure that every American can reap these benefits.

My concern is that some of the proposals in the NBP have the potential to set the United States on a course toward a greater digital divide between urban and rural areas. For example, while trumpeting the benefits of broadband at 100 megabits per second (Mbps) for 100 million homes, the NBP also moves to transition the universal service fund to support broadband offerings at 4 Mbps. The practical impact is two very different goals for rural regions and more densely populated areas. Establishing such a low threshold for rural residents and businesses relegates them to second class broadband capacity. It hinders their ability to share in the transformative vision for broadband outlined in the NBP.

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Rural Americans and businesses are understandably concerned about the impact of the proposals in the National Broadband Plan on their ability to receive comparable and affordable broadband service. I urge you to seriously consider these concerns as you implement the plan's recommendations and take the appropriate steps to ensure all Americans play a role in, and benefit from, the promise of broadband.

Very truly yours,

A handwritten signature in black ink, reading "Saxby Chambliss". The signature is written in a cursive, flowing style. The first name "Saxby" is written with a large, prominent "S" that loops around the first few letters. The last name "Chambliss" is written in a more standard cursive script.

Saxby Chambliss

SC:rg



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

October 13, 2010

The Honorable Saxby Chambliss  
United States Senate  
416 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Chambliss:

Thank you for your letter expressing concern about the effect of the National Broadband Plan's (NBP) proposed universalization level of 4 Mbps on rural America. The NBP called for a Connect America Fund to enable all U.S. households to access a network that is capable of providing both high-quality voice-grade service and broadband that satisfies the National Broadband Availability Target. Recently, the Commission's Omnibus Broadband Initiative (OBI) staff released a technical paper addressing the Target speed, which I am enclosing for your review. The OBI paper details the reasons for the 4 Mbps level and notes the importance of periodic adjustments as the data supporting the Target continues to evolve.

The 4 Mbps speed is very aggressive and represents one of the highest levels in the world today for universalization, while the NBP's 100 Mbps number is based on a long-range goal. Few residential customers today subscribe to 100 Mbps service, and 4 Mbps currently is the median speed purchased by consumers. Only 6 percent of consumers subscribe to broadband service that is faster than 10 Mbps. Broadband service at 4 Mbps permits consumers to utilize its full benefits, including web browsing, e-mail, two-way video conferencing, and watching educational lectures online in standard definition. The Target speed also is "reasonably comparable" to the broadband service currently provided in urban areas, which is the standard mandated under Section 254 of the Communications Act for universalization. Cost is also a factor that needs to be considered – subsidizing universal 100 Mbps deployment today could cost as much as \$320 billion, which could increase the size of the fund to \$40-50 billion annually, and lead to a universal service fee, on average, of \$30 per month per American household.

Be assured that I am committed to making broadband affordable and attainable by all Americans, regardless of where they live or which service providers they use. I look forward to working with you and other Members of Congress as the Commission transforms its universal service policies to ensure that there will be no digital divide in our nation. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,



Julius Genachowski

Enclosure